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ARIZONA LABOR MARKET INFORMATION NEWSLETTER

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April 1985

Unemployment Rate

Seasonally Adjusted
February*

ARIZONA	5.6%
Maricopa Co.	4.3%
Pima Co.	5.1%
UNITED STATES	7.3%

Consumer Price Index

National-January
1967 - Base Year

Wage Earner/Clerical Worker -	312.6
% Chg. Yr. Ago	3.3
All Urban -	316.1
% Chg. Yr. Ago	3.6

Phoenix-4th Qtr.
1977 - Base Year

All Urban -	184.4
% Chg. Yr. Ago	5.9

Producer Price Index

National-January*
1967 - Base Year

All Commodities-	309.8
% Chg. Yr. Ago	0.6
Finished Goods -	292.7
% Chg. Yr. Ago	1.1

* Preliminary

OFFICE COSTS COMPARED TO OTHER EMPLOYEE COSTS

The following article is summarized from "A Comparison of Office Rental Costs and Employee Costs" by Mark Haeussler. Mr. Haeussler was a student of business administration at Arizona State University when this report was prepared in the fall of 1984. It has been successfully used as a marketing tool of the Fountainhead Corporate Park of Tempe and has been offered by that developer's director of marketing, Marcia B. Ellis, as information other office developers and leasors might find useful. The Research Administration is happy to reprint a synopsis here in the spirit of improved public/private sector cooperation that is an objective of the Arizona Department of Economic Security and the Division of Employment and Rehabilitation Services.

Office space costs can be legitimately viewed in comparison with other employee costs in making space purchase or lease decisions. Space costs are not the most expensive employee cost that an employer bears, but one of the major ones, ranking about third after salary and benefits, or fourth after salary, benefits and turnover. The rank differs depending on the occupation of the employee. The higher the rank of the employee the lower the rank of office rental costs relative to other costs, because office costs per employee vary only by the amount of space allotted. Even with an allotment of 1-1/2 times more office space for a professional employee than for a clerical employee, the office cost as a percentage of the professional employee's salary is less than as a percentage of clerical's.

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Ron Simon, editor

Actually, of all the employee costs of the six investigated by Haeussler's study, office space costs varied the least with the employee's position. "This is because the cost per square foot of space is fixed for the entire office...," Mr. Haeussler said.

In order to determine a unit cost of space per employee, Haeussler investigated costs of "Class A" space in the Camelback corridor. He determined that the cost per square foot ranged from $10 to $25. He then figured the weighted average cost to be $17.86 per square foot. Next, he estimated that the average space needed for each employee was 300 square feet. Space for one employee, then, would cost $5,358 per year or 300 times $17.86.

Other employee costs investigated by the study included common ones, such as salary and benefits, and some not so commonly known, such as turnover, time loss and absenteeism. Salary costs were taken from multiple sources, but most often from publications of the Administrative Management Society. Ten positions were listed ranging from a mail clerk with an average salary of $10,500 a year to a personnel director earning $41,800 on average. Benefit costs were from articles by Jerry Geisel in Business Insurance. Average benefit costs totaled $7,187 in 1982. The benefit package included retirement (FICA), unemployment and worker's compensation taxes as well as pensions, various kinds of leave, additional insurances, thrift plans, bonuses and education. Benefit costs were found to be almost 40 percent of salary costs.

The not-so-commonly-known costs of turnover, time loss and absenteeism were ferreted from private studies, and U.S. government publications. Turnover costs range from $500 for a clerical employee and $1500 for a secretary to $10,000 or more for a middle level manager. These figures were according to Eleanor Tedesco and Robert Mitchell, authors of Administrative Office Management, 1984. Time loss by office workers averaged four hours and twenty one minutes or 10.9 percent of worktime, a study of 330 companies showed. The study was reported in "Costliest Crime: Theft of Time," Computer Decisions, January 1984. Absenteeism has been reported by the U.S. Department of Commerce's Social Indicators III, 1980, to hold pretty constantly at 3.5 percent of worktime per year. The cost of that time, of course, varies with the occupation of the employee. For a secretary that cost is about $564 a year. There is no available information about costs of secondary effects when others are impeded from doing their job because someone is absent. The three costs of turnover, time loss and absenteeism, then, are significant, but not as costly as salary and benefits.

An interesting point raised in Mr. Haeussler's recommendations is that upscale office space may also be viewed as an employee benefit. He recommended additional research be conducted to determine how the quality of office space influences productivity. Perhaps another area for research would be to determine if more pleasant office space reduces some of the costs reported in his study. It seems intuitively probable that having pleasant surroundings would reduce turnover and absenteeism. It is not intuitively clear whether improved office space would decrease or increase time loss from wasted time. It is also possible that if employees were given a chance to choose among benefits, cafeteria style, they might choose upscale office space over other benefits offered. "Cafeteria benefits" are, afterall, becoming more widely offered every year. Additional research could indeed offer office space marketers, like the Fountainhead Corporate Park, some additional points for persuasion.

Ron Simon, editor

SUMMER HELP FOR TUCSON EMPLOYERS

Tucson area employers who can use an extra pair of hands during the summer can get help from the Pima Youth Placement Program (PYPP). Youth between the ages of 14 and 21 are available from PYPP by calling 881-7687. Calling that number puts you in contact with a pool of more than 1200 registered students from 17 area high schools. PYPP is a cooperative effort of the Tucson Unified School District, DES-Job Service and Tucson Manpower Development, Inc.

Services available to employers include:

- A free job listing service--PYPP services all 17 high schools in greater Tucson, and will post your job with the appropriate area school.
- Referral of only the number of students you desire to see.
- Interview scheduling and application prescreening as you desire.
- Special needs recruitment -- if you need someone to work odd hours, or that has a special license or skill, PPYP will contact the trade, business teacher or program whose students can meet your requirements.
- Information about wage and tax incentive programs and Arizona child labor laws upon request.
- Fast response -- PPYP's computer based registrant pool enables making referrals within 24 hours.

Here is an opportunity to get some of those postponed jobs accomplished at last. By placing young people on the job in the summer, you can help yourself, and help your schools to instill the work ethic in your area's youth.

Hiring youth of special classifications can win you special tax credits as well. "Economically disadvantaged summer youth" ages 16 and 17 employed during a 90-day period between May 1 and September 15 may entitle you to Targeted Job Tax Credit (TJTC). Although qualifying wages are limited to $3,000 per participant and the credit is limited to 85 percent of those qualifying wages, the credits may be accumulated and carried forward for up to 15 years, or backward for 3 years. If you intend to take the tax credit for hiring youth of this classification, be certain the youth are vouchered by a local Job Service office, or PYPP and that you have requested tax credit certification for each vouchered worker within five days of the worker's first day of employment. Certification for eligible workers may be obtained by mail from the TJTC Unit, 438 W. Adams, Phoenix, Arizona 85003.

ARIZONA UNEMPLOYMENT INSURANCE ACTIVITIES - JANUARY 1985

	January One Year Ago	December 1985	January 1984	% Change From 1984
Arizona Claimants Served*	25,908	23,103	33,168	-29.9%
Arizona Average Weeks Unemployed**	8.5	9.0	9.7	-12.4%
Arizona Benefits Paid*	$ 8,954,292	$ 6,965,460	$ 9,882,100	- 9.4%
Arizona Trust Fund Balance	$212,568,755	$238,513,500	$163,587,294	+50.6%

*All Programs **UI Only

LABOR COSTS IN PHOENIX AND TUCSON

Is it less expensive to run a small business in Phoenix or Tucson? To the extent that business costs depend upon labor costs, the answer to this question may be found in the recently updated Small Employer Wage Survey.

This survey of Maricopa and Pima County employees with fewer than 100 employees was conducted in August 1984. Results are reported on wages paid in eight major industrial classifications: mining; manufacturing; construction; transportation, communications and public utilities; wholesale trade; retail trade; finance, insurance and real estate; and services.

For the construction contractor, one method to compare costs between the Phoenix and Tucson areas is to simply total the weighted average wage levels paid to the various trades occupations. Occupations such as carpenter, cement mason, electrician, painter, roofer and construction supervisor are included in the survey. Adding the 14 surveyed building occupations' weighted average wage rates reveals that Maricopa County's construction labor costs were 12.1 percent higher than Pima County's in August 1984. Only three construction trades -- electrician, painter and pipe fitter (plumber) -- were paid a higher weighted average wage in Pima County. The total average wage rates for all construction industry occupations (including managerial and clerical categories, for example, as well as building trades) was 11.7 percent higher in Maricopa County. Only seven job classifications were paid at a higher level in Pima County. The hourly weighted average wage rates paid in August 1984 for the building occupations in Maricopa and Pima counties were as follows:

	MARICOPA	PIMA
Bricklayer	$12.50	$ 8.90
Bulldozer Operator	13.32	10.98
Carpenter	10.73	8.61
Cement Mason/Finisher	10.93	9.21
Constr. Supervisor	14.37	14.10
Crane Operator	14.62	9.88
Dry Wall Applicator	10.37	9.05
Electrician	9.35	11.89
General Laborer	7.13	5.48
Painter	8.05	8.10
Pipe Fitter (Plumber)	10.51	11.44
Plasterer	10.26	7.50
Roofer	10.66	8.25
Sheet Metal Worker	9.79	9.52

Thinking of opening an auto repair shop? The total hourly weighted average wage rate for seven allied occupations in this sector was again higher in Maricopa County, a substantial 16.9 percent higher. Only two occupations, auto car-wash attendant and auto service station attendant, were paid more in Pima County. The hourly weighted average wage levels for these occupations follow:

	MARICOPA	PIMA
Auto. Body Repairer	$10.41	$ 6.52
Auto. Car-Wash Att.	3.68	4.43
Auto. Mechanic	9.51	8.65
Auto. Svc. Manager	11.67	9.99
Auto. Svc. Sta. Att.	5.04	5.47
Indus. Garage Worker	7.72	5.64
Parts (Dept) Manager	10.72	9.55

What about running a restaurant? Again, the total labor costs are less in Pima County, 8.2 percent less in August 1984. Only two food service occupations had higher weighted average wage rates in the Tucson metropolitan area -- dining room attendant and waiter/waitress. A list of food service occupations and their weighted hourly wage rates in Maricopa and Pima counties follows:

	MARICOPA	PIMA
Baker	$5.06	$4.33
Bartender	4.57	3.87
Chef	6.95	5.92
Cook	4.84	4.29
Counter Attendant	4.46	3.70
Dining Rm. Attendant	3.21	3.39
Host/Hostess	4.40	3.94
Kitchen Helper	3.86	3.80
Rest./Coffee Shop Mgr.	8.81	5.32
Short Order Cook	5.09	4.30
Waiter/Waitress	2.79	2.94

Of the total 124 same occupations surveyed in both counties in August 1984, only 26 showed overall higher hourly weighted average wage levels in Pima County. Interestingly, in the technical group of occupations, four of the eight reported job classifications recorded higher hourly average wage rates in Pima County. These four were drafter, estimator, mechanical engineering technician and radiologic technologist.

One of the major costs of doing business is the cost of clerical personnel. Totaling the two counties' hourly weighted average wage rates again shows employer expenses lower in Pima County by 10.5 percent. Below is the overall hourly weighted average wage levels of a representative list of clerical occupations in Maricopa and Pima counties.

	MARICOPA	PIMA
Accounting Clerk	$ 6.22	$ 5.42
Bookkeeper	7.48	6.90
Cashier	4.59	4.00
Clerk	5.46	4.96
Collector-Bill/Acct.	6.71	5.85
EDP Keypunch Operator	6.04	5.52
Legal Secretary	8.79	8.23
Order Clerk	5.85	5.57
Payroll Clerk	7.02	7.00
Receptionist	5.32	4.77
Ship./Rec. Clerk	6.03	5.23
Switchboard Operator	5.24	4.62

Only three of the 25 clerical occupations showed higher average wages in Pima County. These were executive secretary, stenographer and word processing machine operator.

Only in the costs of medical personnel were Maricopa and Pima counties close in total weighted average wage levels. However, of the eight job classifications compared, only two in Pima County recorded higher hourly weighted average wage rates, those of licensed practical nurse and radiologic technologist. The differential of the total hourly average wage levels between the counties was less than one percent, higher in Maricopa County. The largest average wage rate difference was recorded for medical secretary, 15.1 percent higher in Maricopa County in August 1984. These occupations and their wage levels follow.

	MARICOPA	PIMA
LPN	$6.96	$7.54
Pharmacist	13.30	13.23
RN	10.23	10.14
Med. Lab. Technologist	8.81	8.75
Med. Secretary	7.86	6.83
Nursing Assistant	4.26	4.23
Physician Assistant	6.72	6.20
Radiologic Techno.	8.18	9.17

What about the manufacturing sectors of the two counties, including occupations such as machine shop supervisor, plant (general) manager, production supervisor, purchasing officer, electronic technician, electronics assembler, packager, inspector and welder? Where are the labor costs lower for manufacturers as a whole? The answer is Pima County where the total of the hourly weighted average wage rates for 43 occupations was 8 percent less than in Maricopa County in August 1984. A partial list of the weighted average wage levels for the counties' manufacturing occupations follows.

	MARICOPA	PIMA
Custodial Worker	$5.14	$4.92
Electronics Assembler	5.22	4.01
Electronic Technician	8.19	7.39
Inspector	7.44	6.61
Machinist	8.98	8.04
Material Handler	$5.95	$5.19
Office Manager	8.81	8.04
Plant (Gen'l) Mgr.	16.17	13.67
Production Assembler	5.59	4.84
Production Supvr.	10.93	10.04
Purchasing Office	9.78	8.84
Sheet Metal Worker	8.27	10.77
Tool and Die Maker	10.68	12.04
Truck Driver - Light	5.58	6.97

Pima County's overall hourly total weighted average wage rate in August 1984 was 10.4 percent less than that of Maricopa County. This was for the same 124 occupations reported in both counties. These wage levels were $7.14 for Pima County and $7.88 for Maricopa County.

The 124 job classifications, grouped by occupational categories, resulted in the following weighted mean hourly wage rates in August 1984:

	MARICOPA	PIMA
Managerial	$12.62	$10.62
Professional	11.20	10.15
Technical	10.84	10.72
Service	3.88	3.68
Maint. & Prod.	8.07	7.37
Clerical	6.25	5.66
Sales	7.78	6.34
All	7.88	7.14

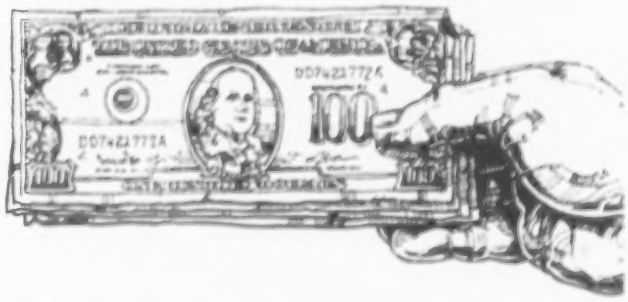
Changes in the weighted hourly average wage levels between 1983 and 1984, by occupational category and industry, are as follows:

OCCUPATIONAL GROUP	MARICOPA	PIMA
Managerial	0.7	-1.2
Professional	10.1	-0.8
Technical	2.3	1.8
Service	9.9	9.2
Maint. & Prod.	4.7	-0.5
Clerical	0.3	-1.7
Sales	-2.1	18.5
All	3.3	5.5

INDUSTRY	MARICOPA	PIMA
Construction	-1.5	2.8
Manufacturing	9.9	-8.8
T.C.P.U.	13.2	9.4
Wholesale Trade	2.1	5.1
Retail Trade	7.2	8.8
F.I.R.E.	-1.6	-0-
Services	13.9	15.3

Maint. & Prod. - Maintenance and Production
T.C.P.U. - Transportation, Communications and Public Utilities
F.I.R.E. - Finance, Insurance and Real Estate

Glede Kohler



AREA AND INDUSTRY DIFFERENCES CAN MEAN PAY DIFFERENCES

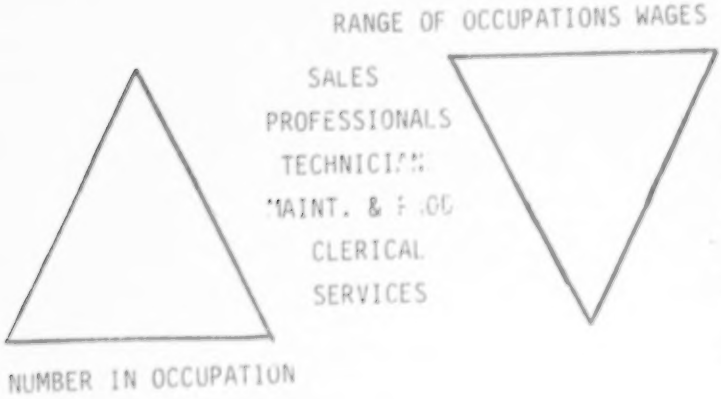
Where can a capable office manager earn the most for the utilization of his skills and abilities? Is a personnel analyst making as much pay as he might in Maricopa County? Where are the highest wages in the Phoenix metropolitan area if your occupation is that of a material handler, sales route driver, clerk, secretary or general salesperson? Where will the utilization of one's occupational skills offer the greatest challenge and earn the largest reward in wages?

The Maricopa County Small Employer Wage Survey conducted in August, 1984 questioned employers about pay levels for those and other occupations. The survey queried various establishments in the seven industrial sectors of construction; manufacturing; transportation, communication and public utilities; wholesale and retail trade; finance, insurance and real estate; and services.

Wage rates differ among industries for the same occupation in relation to each job's degree of responsibility and the amount of control over people, places and things, and ultimately profits. The occupation's influence in reaching the final outcome or goal of the employer will affect the occupation's wage structure. Other factors include the degree of unionization of the industry the occupation is found in, and special employee expenses such as needed additional apparel, lifestyle change, etc. And, of course, the supply-demand situation for competent people will change average wage rates. Basic skills or abilities of a job holder may be the same in one industry as in another but there can be varying degrees of difficulty considered in the determination of an occupation's wage structure in differing industries or employers.

In many situations, the weighted average wage rate difference for the same occupation between the industries is large. (See table below.) Generally the higher the skill, pay or position level of the occupation, the greater the wage variance between industries. The greater the extent of the

skill level required according to the demands of a job position in an industry or by an employer, the higher the occupations wage level will be. For example, the occupation of accountant's weighted average wage rate in the transportation, communication and public utilities industry was $9.25 per hour while in the finance, insurance and real estate sector it was $12.54 per hour in August, 1984. A custodial worker earned an average of $4.51 per hour in the services industry and $6.42 in the transportation, communication and public utilities segment of Maricopa County according to the results of the survey.



The extent of the wage and its range varies depending on a combination of factors, e.g., control over, effect of, proximity to and responsibility for a product and/or service. Also, the more individuals there are employed in a given occupation, the higher the wage level and the wider the wage range.

An office manager's weighted average wage rate is highest in the finance, insurance and real estate industry, where a highly volatile and number oriented environment is prevalent; and the lowest is in manufacturing, where the office business activity is generally of a more routine and structured nature. The sales manager position offers the highest wage rate in the manufacturing industry, bigger possible checks, and lowest in services firms, where there is a much less extensive and opportunistic sales business climate. The same rationale would apply to the general salesperson occupation, in which the highest average wage rate is in the construction industry, and the lowest is in the transportation, communication and public utilities sector.

A more complex and demanding business atmosphere drove the weighted average wage level of a programmer systems analyst in the outside contract oriented services industry to the highest; and held it to the lowest in the more routine and structured manufacturing industry.

The extent of unionization affects weighted average wage rates; for example, painter and sheet metal worker occupations, whose wage levels are highest in the highly unionized construction industry and lowest in the manufacturing sector.

The establishments in the retail industry paid the lowest in average wage levels for the occupations of payroll clerk and receptionist. These occupations are characterized by more routine and less demanding work environs. The opposite could be said in the highest paying industries for these two job classifications, payroll clerk in the manufacturing industry and receptionist in the transportation, communication and public utilities segment.

Generally, wholesale trade firms paid more for their managers while service establishments paid the least. Maintenance and production workers of the same occupations were reimbursed more by construction and transportation, communication and public utilities firms, and less by retail trade and service employers. The transportation, communication and public utilities industry also paid higher hourly wages for its clerical group of occupations while retail trade and finance, insurance and real estate employers, paid lower wages, according to the results from the small employer wage survey in Maricopa County in August, 1984.

The table on the following page lists the occupations in Maricopa County and their weighted average hourly wage levels for the industries if the wage rate's variance is over ten percent in August, 1984. These job classifications are listed alphabetically within their occupational clusters.

1984 MARICOPA COUNTY
SMALL EMPLOYER WAGES
BY INDUSTRY

	Industry	Constr.	Manuf.	T.C.P.U.	Wh. Tr.	Ret. Tr.	F.I.R.E.	Svcs.
Branch Mgr.	$18.32	$19.31	$19.94	$	$18.01	$12.88	$	$
Office Mgr.	10.63	10.23	8.81	10.56	11.08		12.69	
Parts(Dept.) Mgr.	10.72				12.16	10.54		7.57
Personnel Anal.	11.36		11.19	11.23	12.91	12.72	12.13	9.70
Plant Mgr.	17.08	20.36	16.17		16.87			
Sales Mgr.	14.04	15.40	17.27			14.04		12.59
Service Mgr.	11.29				12.45	10.32		10.11
Whse. Supr.	8.76		8.11	10.79	8.43			
Accountant	11.06	11.48	10.03	9.25			12.54	
Purch. Off.	10.89	12.94	9.78	12.35			8.74	
Sys. Anal.	14.78		11.62		11.34			15.46
Trng. Spec.	11.68			6.55			16.14	10.50
Estimator	13.34	13.84	11.11					
Lab Tester	8.99		10.38					6.35
Programmer	14.10		11.03				12.34	15.21
Bartender	4.57					4.50		5.02
Chef	6.95					6.69		7.70
Cosmetologist	4.97					5.67		4.95
Counter Att.	4.46					4.51		3.79
Waiter/ress	2.79					2.70		3.72
Auto Body Repr.	10.41					11.34		7.83
Comp. Opr.	7.78		7.73	9.11	6.66	6.14	8.37	8.83
Custodial Wkr.	4.83		5.14	6.42	5.00	4.83	5.89	4.51
Electrician	9.35	9.25		14.54				
Gnl. Laborer	7.13	7.22				4.79		
Indus. Gar. Wkr.	7.72				8.11			7.21
Maint. Mech.	10.05	11.04	10.07	8.68				
Material Handling	5.37		5.95	8.60	4.97			
Painter	8.05	8.48	5.76					
Sales Rte. Driver	6.22				6.49	8.22		5.33
Sheet Metal Wkr.	9.79	10.44	8.27					
Trk. Driver-Hvy.	10.21	10.22	7.60	11.94	8.87	7.32		6.47
Trk. Driver-Light	6.09	7.49	5.58	6.99	5.64	5.92		5.44
Whse. Wkr.	5.62	6.03				5.45		
Acctg. Clerk	6.22		6.76			5.88		
Bookkeeper	7.48	7.45	7.63	7.18	7.83	7.61	6.64	7.58
Cashier	4.59				5.69	4.50		
Clerk	5.46	5.54	5.13	6.14	5.80	5.17	5.85	4.99
Dispatcher	8.09	9.35		8.65	7.65			7.37
Exec. Secr.	8.76	9.09	8.42	10.18			8.23	
File Clerk	5.19		5.12		5.79	4.44		
Keypunch Opr.	6.04		6.37	6.72	6.12		5.11	5.97
Order Clerk	5.85		6.75		6.03	5.15		
Order Filler	5.85				5.92	5.16		
Payrol Clerk	7.02	7.19	7.63		7.40	5.87		
Receptionist	5.32	5.41	5.42	5.72	5.18	4.62	5.48	5.36
Secretary	6.68	6.98	6.96	7.33	6.30	6.88	6.14	6.62
Stenographer	6.47						5.69	7.69
Switchboard Opr.	5.24	6.63	5.64	4.45	5.50	5.50	5.54	5.06
Gnl. Salesperson	8.80	14.03	10.61	6.84	9.70	7.25		
Parts Cntr. Pers.	7.10				7.76	6.44		7.07

THE ARIZONA LABOR FORCE IN FEBRUARY 1985

Unemployment increased in Arizona for the third consecutive month in February, but the rise was very small compared to the jump in unemployment we observed in January. With the rate now 1.3 percentage points above the record low of 4.3 percent recorded in November, it is unlikely that unemployment will fall below 5 percent again in the near future. Two factors are contributing to rising unemployment in Arizona: a rapidly expanding labor force and a slowing rate of growth in job opportunities around the state.

Despite higher unemployment rates in nine of the state's 15 counties, some sectors of the economy continued to perform well. Jobs in construction increased by 800 during February, a response to improving weather conditions in the state and the relative stability of the nation's financial markets. In the Phoenix metropolitan area, where much of the building activity is concentrated, nearly 1,000 construction jobs were added during the month, reflecting the high volume of home building and commercial construction in the area. It is too soon to determine whether the recent rise in long term interest rates will have a negative effect on construction employment in Arizona, which now stands at a record high of 104,300.

Maricopa County also captured most of the 400 new manufacturing jobs created in Arizona last month. Nearly all of the increase was registered in the durable goods sector, with producers of heating and cooling equipment and defense contractors accounting for much of the gain. Hiring activity among high technology companies has slowed considerably, however, as reports of softening demand for electronic components become more frequent. The abrupt loss of over 600 jobs in business services may be a sign that Arizona's manufacturing firms are responding by using fewer workers provided by temporary help agencies. Should market conditions fail to improve soon, electronics firms may be forced to lay off permanent staff or to cut back production work schedules. With the state's average work week in manufacturing at 40.7 hours, large scale layoffs are unlikely to occur in the near future.

Although the unemployment rate in Pima County remained unchanged at 5.1 percent in February, 200 mining jobs were lost. Despite a strong, sustained economic expansion, copper demand has languished, leaving the outlook for employment opportunities in Arizona's copper mines very bleak. Otherwise, the Tucson area economy remains strong, with rising employment in construction and expected seasonal increases in hotels, restaurants and miscellaneous services observed in February.

The pace of economic growth is moderating in Arizona. Over 14,000 wage and salary jobs were added statewide last month; 3,400 of them were created in the nonmetropolitan counties. This compares to about 23,000 wage and salary positions added during February 1984. The next few months should bring continuing moderate growth. Employment throughout the state should continue to increase, but at a slower rate than last year. The expansion of job opportunities in the financial, trade and service sectors may be offset by a slowdown in manufacturing and reduced construction activity due to a potential surplus of multi-family housing and office space. As a result, unemployment may rise gradually in response to the Arizona labor force growing faster than the number of job opportunities in the state.

Brian Cary

Arizona Labor Force and Employment

February 1985 (in thousands)

	ARIZONA				
				-- Amt Change --	
	Feb.* 1985	Jan. 1985	Feb. 1984	Jan. to Feb.	1984 to 1985
TOTAL CIVILIAN LABOR FORCE	1477.6	1472.1	1411.0	+5.5	+66.6
Total Unemployment	83.2	82.0	81.8	+1.2	+1.4
Rate	5.6	5.6	5.8	---	---
Rate (Sea. Adj.)**	5.6	5.5	5.7	---	---
Total Employment	1394.4	1390.1	1329.2	+4.3	+65.2

THE ABOVE LABOR FORCE STATISTICS SHOULD

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1240.2	1225.6	1149.9	+14.6	+90.3
Manufacturing	178.9	178.5	164.8	+0.4	+14.1
Durable Goods	141.8	141.4	129.4	+0.4	+12.4
Stone, Clay and Glass	7.6	7.6	7.1	+0.0	+0.5
Primary and Fabricated Metals	16.8	16.7	15.3	+0.1	+1.5
Primary Metals	7.2	7.2	6.6	+0.0	+0.6
Fabricated Metals	9.6	9.5	8.7	+0.1	+0.9
Machinery	71.7	71.6	65.2	+0.1	+6.5
Other Durable Goods	45.7	45.5	41.8	+0.2	+3.9
Aircraft and Missiles	20.6	20.5	18.9	+0.1	+1.7
Lumber and Wood Products (Except Furniture)	7.0	7.1	6.8	-0.1	+0.2
All Other Durable Goods	18.1	17.9	16.1	+0.2	+2.0
Nondurable Goods	37.1	37.1	35.4	+0.0	+1.7
Food and Kindred Products	7.9	8.0	7.7	-0.1	+0.2
Apparel	4.8	4.9	5.0	-0.1	-0.2
Printing and Publishing	14.2	14.1	12.9	+0.1	+1.3
All Other Nondurable Goods	10.2	10.1	9.8	+0.1	+0.4
Mining and Quarrying	12.3	12.5	14.1	-0.2	-1.8
Copper Mining	9.5	9.7	11.2	-0.2	-1.7
Other Mining and Quarrying	2.8	2.8	2.9	+0.0	-0.1
Construction	104.3	103.5	88.1	+0.8	+16.2
Trans., Communications, and Public Utilities	63.0	62.2	59.0	+0.8	+4.0
Transportation	29.2	28.8	26.6	+0.4	+2.6
Communications and Public Utilities	33.8	33.4	32.4	+0.4	+1.4
Trade	302.3	301.3	277.5	+1.0	+24.8
Wholesale Trade	62.2	61.9	56.4	+0.3	+5.8
Retail Trade	240.1	239.4	221.1	+0.7	+19.0
General Merchandise and Apparel	40.5	41.1	38.1	-0.6	+2.4
Food Stores	36.5	36.3	34.2	+0.2	+2.3
Automotive and Service Stations	28.2	28.1	26.0	+0.1	+2.2
Eating and Drinking Places	83.5	82.0	76.9	+1.5	+6.6
Other Retail Trade	51.4	51.9	45.9	-0.5	+5.5
Finance, Insurance, and Real Estate	74.0	73.7	69.2	+0.3	+4.8
Services and Miscellaneous	288.2	284.8	265.1	+3.4	+23.1
Hotels and Other Lodging Places	30.7	30.0	26.8	+0.7	+3.9
Business Services	63.9	64.5	56.8	-0.6	+7.1
Health Services	70.3	69.8	68.1	+0.5	+2.2
Other Services	123.3	120.5	113.4	+2.8	+9.9
Government	217.2	209.1	212.1	+8.1	+5.1
Federal	39.6	39.5	38.1	+0.1	+1.5
State and Local	177.6	169.6	174.0	+8.0	+3.6
School	107.8	100.3	107.5	+7.5	+0.3

* Preliminary

** Normal seasonal variations have been eliminated to reflect underlying economic trends.

NOTE--Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Arizona Labor Force and Employment

February 1985 (in thousands)

MARICOPA COUNTY					PIMA COUNTY				
			-- Amt Change --					-- Amt Change --	
Feb.* 1985	Jan. 1985	Feb. 1984	Jan. to Feb.	1984 to 1985	Feb.* 1985	Jan. 1985	Feb. 1984	Jan. to Feb.	1984 to 1985
939.2	936.1	889.0	+3.1	+50.2	269.0	269.1	258.1	-0.1	+10.9
40.2	40.0	39.4	+0.2	+0.8	14.0	14.0	14.1	+0.0	-0.1
4.3	4.3	4.4	---	---	5.2	5.2	5.5	---	---
4.3	4.2	4.4	---	---	5.1	5.1	5.4	---	---
899.0	896.1	849.6	+2.9	+49.4	255.0	255.1	244.0	-0.1	+11.0

T BE USED FOR ECONOMIC ASSISTANCE PROGRAMS.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

813.6	804.2	748.9	+9.4	+64.7	224.9	223.2	209.3	+1.7	+15.6
131.0	130.6	119.7	+0.4	+11.3	29.9	29.8	27.7	+0.1	+2.2
105.3	105.1	95.0	+0.2	+10.3	25.0	24.8	22.9	+0.2	+2.1
4.7	4.7	4.2	+0.0	+0.5					
11.1	11.0	9.7	+0.1	+1.4					
58.0	57.9	52.4	+0.1	+5.6					
31.5	31.5	28.7	+0.0	+2.8					
25.7	25.5	24.7	+0.2	+1.0	4.9	5.0	4.8	-0.1	+0.1
5.3	5.3	5.3	+0.0	+0.0					
2.7	2.8	3.1	-0.1	-0.4					
10.6	10.4	9.4	+0.2	+1.2					
7.1	7.0	6.9	+0.1	+0.2					
0.6	0.6	0.6	+0.0	+0.0	2.6	2.8	3.6	-0.2	-1.0
73.3	72.3	60.8	+1.0	+12.5	19.1	19.1	17.2	+0.0	+1.9
41.1	40.7	38.4	+0.4	+2.7	8.9	8.7	8.5	+0.2	+0.4
19.9	19.6	18.1	+0.3	+1.8	4.1	3.9	3.9	+0.2	+0.2
21.2	21.1	20.3	+0.1	+0.9	4.8	4.8	4.6	+0.0	+0.2
205.8	205.0	188.8	+0.8	+17.0	49.8	49.9	46.0	-0.1	+3.8
48.6	48.4	44.4	+0.2	+4.2	7.1	7.1	6.4	+0.0	+0.7
157.2	156.6	144.4	+0.6	+12.8	42.7	42.8	39.6	-0.1	+3.1
25.6	25.9	24.2	-0.3	+1.4	8.0	8.1	7.5	-0.1	+0.5
23.4	23.3	21.9	+0.1	+1.5	5.7	5.7	5.5	+0.0	+0.2
18.0	17.9	16.4	+0.1	+1.6	4.4	4.5	4.2	-0.1	+0.2
54.2	53.1	50.0	+1.1	+4.2	15.8	15.7	14.4	+0.1	+1.4
36.0	36.4	31.9	-0.4	+4.1	8.8	8.8	8.0	+0.0	+0.8
57.6	57.4	54.3	+0.2	+3.3	10.5	10.4	9.5	+0.1	+1.0
197.2	194.8	181.3	+2.4	+15.9	53.7	52.9	48.4	+0.8	+5.3
19.3	18.8	16.5	+0.5	+2.8	5.0	4.9	4.3	+0.1	+0.7
51.9	52.7	47.7	-0.8	+4.2	9.2	9.1	7.2	+0.1	+2.0
48.1	47.6	46.0	+0.5	+2.1	14.0	14.0	14.0	+0.0	+0.0
77.9	75.7	71.1	+2.2	+6.8	25.5	24.9	22.9	+0.6	+2.6
107.0	102.8	105.0	+4.2	+2.0	50.4	49.6	48.4	+0.8	+2.0

-- Prepared by Labor Market Information, Research and Analysis (CPS, 1/85)

NONMETROPOLITAN COUNTIES LABOR FORCE AND EMPLOYMENT FEBRUARY 1985

	Apache	Cochise	Coconino	Gila	Graham	Green-lee	La Paz
TOTAL CIVILIAN LABOR FORCE*.	15,750	29,175	36,525	13,200	7,975	3,275	4,700
Total Unemployment	2,375	2,450	3,200	1,800	1,050	500	600
Rate	15.1%	8.4%	8.8%	13.6%	13.2%	15.3%	12.8%
Rate (Seas. Adj.)**. . . .	14.7%	8.1%	8.4%	13.3%	13.2%	14.4%	-INA-
Total Employment	13,375	26,725	33,325	11,400	6,925	2,775	4,100
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS							
TOTAL WAGE AND SALARY. . . .	14,500	22,700	32,700	9,650	4,575	2,775	2,550
Manufacturing.	675	1,775	2,400	1,225	150	125	75
Mining and Quarrying	25	200	50	1,600	50	1,550	0
Construction	1,275	1,275	1,575	400	125	100	75
Trans., Comm., & Pub. Util..	1,800	1,425	2,825	300	150	50	50
Trade.	1,225	4,875	7,425	1,875	1,300	300	825
Fin., Insur., & Real Estate.	250	650	700	225	125	25	125
Services and Miscellaneous .	3,725	2,975	7,125	1,800	725	100	650
Government	5,525	9,525	10,600	2,225	1,950	525	750

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
TOTAL CIVILIAN LABOR FORCE*.	23,750	25,175	32,525	8,800	33,175	35,350
Total Unemployment	2,475	3,425	3,775	1,000	2,400	3,925
Rate	10.4%	13.6%	11.6%	11.4%	7.2%	11.1%
Rate (Seas. Adj.)**. . . .	9.8%	12.8%	11.8%	13.1%	6.7%	-INA-
Total Employment	21,275	21,750	28,750	7,800	30,775	31,425
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS						
TOTAL WAGE AND SALARY. . . .	16,750	17,750	25,675	8,175	19,325	24,175
Manufacturing.	2,150	1,650	3,475	750	2,150	1,500
Mining and Quarrying	225	1,125	3,700	0	475	50
Construction	1,400	775	850	250	1,800	2,025
Trans., Comm., & Pub. Util..	1,125	1,600	1,225	575	925	900
Trade.	4,800	3,150	4,575	3,700	5,025	7,550
Fin., Insur., & Real Estate.	875	325	650	225	800	850
Services and Miscellaneous .	3,350	4,525	2,725	1,175	3,650	4,800
Government	3,150	4,600	8,475	1,500	4,500	6,500

*Adjusted to the Current Population Survey (CPS) to reflect place of residence.
**Seasonal adjustment not applicable for economic assistance programs.

NOTE--Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

ARIZONA LABOR FORCE AND EMPLOYMENT FOR ECONOMIC ASSISTANCE PROGRAMS JANUARY 1985

County	Civilian Labor Force	Employment	Unemployment	Rate
Statewide	1,472,098	1,390,093	82,005	5.6%
Apache	16,022	13,767	2,303	14.3
Cochise	29,177	26,725	2,452	8.4
Coconino	34,887	31,575	3,312	9.5
Gila	13,248	11,480	1,768	13.3
Graham	7,877	6,911	976	12.4
Greenlee	3,293	2,818	475	14.4
La Paz	4,730	4,089	641	13.6
Maricopa	936,069	896,088	39,981	4.3
Mohave	23,513	21,104	2,409	10.2
Navajo	25,014	21,787	3,227	12.9
Pima	269,134	255,258	13,876	5.2
Pinal	32,176	28,540	3,589	11.2
Santa Cruz	8,812	7,805	1,007	11.4
Yavapai	33,313	30,875	2,438	7.3
Yuma	34,772	31,221	3,551	10.2

These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators. Note: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

ESTIMATED HOURS AND EARNINGS OF PRODUCTION WORKERS IN SELECTED INDUSTRIES IN ARIZONA FEBRUARY 1985

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVG. HOURLY EARNINGS		
	FEB.* 1985	JAN. 1985	FEB. 1984	FEB.* 1985	JAN. 1985	FEB. 1984	FEB.* 1985	JAN. 1985	FEB. 1984
FOR THE STATE OF ARIZONA*									
Manufacturing	389.91	384.86	374.95	40.7	40.3	40.8	9.58	9.55	9.19
Aircraft & Missiles	INA	INA	INA	INA	INA	INA	INA	INA	INA
Food & Kindred Products	325.71	301.10	312.58	40.1	40.2	38.4	8.11	7.49	8.14
Primary Metals	488.04	519.79	474.39	39.2	40.2	38.6	12.45	12.93	12.29
Machinery	363.53	346.06	338.92	39.6	40.1	40.3	9.18	8.63	8.41
Copper Mining	565.97	579.76	562.55	41.8	41.5	42.4	13.54	13.97	13.27
Construction	440.01	445.81	411.41	37.1	37.4	35.9	11.86	11.92	11.46
Utilities	599.42	599.42	524.10	44.8	44.8	43.1	13.38	13.38	12.16
Retail Trade**	226.80	226.80	225.08	32.4	32.4	32.2	7.00	7.00	6.99
Wholesale Trade	347.07	346.14	343.91	37.4	37.1	39.7	9.28	9.33	8.64

* Preliminary
** Excludes eating and drinking places.
NOTE--These estimates are based on a sample of full and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

--Prepared by Labor Market Information, Research and Analysis (1972 SIC, 1/84)

LMI MANDATED BY TRAINING PROGRAMS

The following article by U.S. Bureau of Labor Statistics Commissioner Janet Norwood is reprinted from this year's annual international issue of The IAPES News. The International Association of Personnel in Employment Security (IAPES) is a professional association for Job Service, Unemployment Insurance, Labor Market Information, and related program personnel.

Implementation of the Job Training Partnership Act of 1982 (JTPA) brought a new direction not only for America's employment and training programs but also for the programs that form -- with the Employment Service and the Unemployment Insurance System -- the "third leg" of the Employment Security Stool -- the Labor Market Information programs. The JTPA legislation gave a formal mandate and set a new course for Labor Market Information (LMI), going well beyond the mandate set for LMI in previous omnibus employment and training legislation. JTPA institutionalized LMI as an integral part of the employment and training effort. It also assigned additional responsibility for developing labor market information programs to the states and spelled out an enlarged role in the LMI program for the Department of Labor's Bureau of Labor Statistics.

Labor Market Information involves data that describe the scope and nature of national, state and local labor markets to aid in helping people find jobs. That is a broad mandate, involving the preparation and delivery of information for economic and social analysis as well as the data needed for day-to-day operations of the employment and training effort at the local level. JTPA defined the system to enable more success for persons seeking work, calling on the Department of Labor, through the state governors, to implement an information system that includes data on labor supply (population, employment and unemployment) and labor demand (industries, establishments and occupations) in a way that would help people find work.

Federal-State Partnership

Labor Market Information in the United States has traditionally been managed in a cooperative federal/state environment where the roles of the federal and state partners are well defined. This has been the form for doing business since 1917, when the first agreements between the Bureau of Labor Statistics and state agencies (preceding the establishment of the Employment Security System) were signed to provide a common approach to LMI. The program has evolved over the years into a mature relationship under which the Bureau of Labor Statistics provides technical oversight, a common set of definitions, statistical sampling and estimation standards, and the states collect the data for the states and the federal government. In this way, data are consistent from state to state so comparisons can be made between states, information linkages across state borders can be established and the state Employment Security agencies can use common tools from a common source to support the data collection capability and local data analysis needed. In this way, each of the partners in the cooperative LMI system contributes to overall objectives in the most effective manner. The federal/state cooperative statistical system makes sense for a number of other reasons, including the fact that duplication of reporting burden on businesses is avoided since one collection provides data used at all levels of government.

Within the state Employment Security agencies, the primary responsibility for the labor market information system has been assigned to organizations with various titles -- reseach and analysis units, Labor Market Information offices, information services divisions and the like. Although these organizations have different names and are located in different places in the organization of the SESA, they share common missions and functions, and common approaches. In most states the research director who heads the unit within the state organization wears a second hat. The research chief also serves as a sworn but

unpaid employee of the federal government with responsibility for safeguarding the confidentiality of responses from establishments and other reporting organizations. The system has proven to be efficient and cost effective over the years. The states, which have an extensive local office network and manage the Unemployment Insurance System, have available the on-site resources needed to understand the operation of the labor market at the local level and have access to the data on employers and workers covered by Unemployment Insurance that serve as an important component of Labor Market Information programs at all levels. In the specialized field of local Labor Market Information, the state Employment Security agencies have the expertise, access to information and statistical resources necessary to carry out the functions in partnership with the Bureau of Labor Statistics.

Data Uses

The cooperative approach to the Labor Market Information program permits the needs of the governments at all levels (federal, state and local) and a variety of users to be met with one comprehensive source of labor market data. The LMI system provides a rich variety of data that are used for the following management purposes: program, planning, program evaluation, economic analysis, economic development, funding and resource allocation, job placement, job development, job search assistance, employability development, vocational counseling and the administration of the work test for program eligibility.

In addition, data from these cooperative programs provide the nation as a whole with data essential for the evaluation of the country's labor market policies. For example, monthly data on employment by industry for states and areas are closely watched to monitor the impact of government programs for economic development, trade adjustment assistance and tax policy. In some cases, the data find direct use as an indicator of the performance of the overall economy. For instance movements in the data on average weekly hours of work consistently signal swings in the business cycle and are a component of the federal government's index of leading economic indicators.

The data have important uses aside from the uses by governments at all levels. Business firms, labor unions, trade associations, private research organizations and university research units use Labor Market Information to study economic conditions and to develop plans for the future. Businesses use the employment, hours and earnings series for guidance in plant location, sales and purchase decisions. Also, firms negotiating long term supply or purchase contracts often use escalation clauses based on the average hourly earnings series as an aid in reaching agreements to adjust wages. In conjunction with trends in other economic series, the employment and hours series is used in computing measures of productivity of the economy.

Data Available

The Department of Labor sponsors a number of major Labor Market Information programs that provide support to the Employment Security agency programs:

- Data are provided on people--their characteristics and economic status--and on conditions in the local labor markets. For the most part, demographic and economic information on the population is derived from the decennial Census of Population and Housing. At the state level and for large metropolitan areas, annual information is available from the U.S. government's Current Population Survey. Payroll employment in nonagricultural industries is available monthly by major industry division for each state, Puerto Rico and the Virgin Islands, and for 245 local areas through the Current Employment Statistics program. This monthly survey of more than 200,000 establishments throughout the nation also makes available data on hours and earnings of production workers on manufacturing payrolls for each state, Puerto Rico and the Virgin Islands, and for 178 local areas. Trends in the local labor demand picture are available for states and large areas, in more detail, and for the county level on a quarterly basis from the Unemploy-

ment Insurance employment and wages reporting program. The industry and occupational profiles are available from the Occupational Employment Survey. These occupational data are then combined with information on industry trends to provide the basis for industry/occupational matrices, which can be useful in projecting future demand by occupation. This information is extensively used in employment and training program management to select occupations in which to train persons and to evaluate the effectiveness of training efforts.

- To help people actually find jobs, more specific data are required than are generally available from statistical compilations and surveys. Often data are needed for a specific labor market and tailored to individual circumstances. For the most part states manage the programs that address this need, developing data on job openings from current listings of job openings by occupation and area (including those that are shared from area to area) and specific information on firms, their occupational composition, working conditions and wages so as to facilitate the efficiency of the individual job search. With increasing automation of the Job Service in United States, some very innovative and responsive uses of job openings information have been developed for local use. The increasingly useful database on employers has permitted states to develop locally devised systems such as the Employer Information Service (EIS), which brings together information on the employment history of the local business from the Unemployemnt Insurance System with data from operational experience of the local Employment Service.

Program Coordination

A complementary system for coordinating the efforts of many agencies in order to get information to program agencies and job seekers is provided in the United States by the National Occupational Information Coordinating Committee (NOICC) and its state counterparts, the State Occupational Information Coordinating Committees (SOICC). The NOICC works with agencies that provide data and those that use it in planning employment and training to plan and develop occupational information systems and career information delivery systems. NOICC also links the Employment Service agency in a formal way to the vocational education systems, which has the need for much the same kind of information in order to plan and manage vocational education offerings.

An important part of any labor market information system is to make maximum use of the data available, to guide users to the best sources, and to package the information so that it is useful by a variety of users. This function is carried out in the United States by the NOICC/SOICC network. State Employment Security agencies are a member of the SOICC in each state, and in many states, the Employment Security agency houses the executive directorate of the SOICC.

Summary

Strong and relevant systems of Labor Market Information will not, in themselves, insure success in meeting the mandate of JTPA for bold and innovative programs keyed to local conditions, just as effective planning and management cannot insure the long term success of employment and training programs. But JTPA makes clear that without such a system to support these local efforts the programs have much less of a chance of succeeding. That is why today, more than ever before, Labor Market Information programs are an integral part of the total Employment Service and a part of the new direction of the employment and training system in the United States.

NEW DEVELOPMENTS

"New Developments" is featured each month as a service to employers and job seekers. It is a compilation of public announcements of the more significant new construction, grand openings, major hirings and layoffs and other employer events that have special significance for Arizona labor markets. The announcements are paraphrased and otherwise edited from articles published in newspapers and other periodicals from throughout the state. "New Developments" are limited to space available, and no attempt is made to compile an exhaustive list of all such events that have occurred during the month.

Construction - A new 23 story United Bank Tower will be built in Tucson. Construction is scheduled to begin in May. The Tower will be the city's tallest building, and will be part of a three-building, $150 million project to be known as the Tucson City Center. United Bank will move its southern division headquarters into 30,000 square-feet on the first and second floors. It will also lease executive office space on the 18th floor. The remaining two buildings of the project will be constructed within five years according to the Reliance Development Group Inc. of New York. Reliance is developing the project in partnership with Venture West Group, Inc.

Construction of a 42,000 square foot four story building to be called the Citadel has begun at Pinnacle Peak and Pima Roads in Scottsdale. It will be a $7 million office and retail center. Sundt Corporation is the general contractor, and completion is expected in November.

Laderman & Lohr have secured funding from BA Mortgage of Arizona, a BankAmerica Company, to build Midtowne Business Center III. It will be a 93,000 square foot, $14 million four story building at First Place and Earll Drive in Phoenix. Construction will begin in March and completion is expected by early 1986. The site is near Park Central Mall, an area of considerably more additional new development. Koll Co. is the general contractor.

The Corporate at Squaw Peak, a three-story structure on 4.2 acres at 7310 North 16th Street in Phoenix is to be constructed from April through January. Raco Development Corporation will build the $10.8 million office structure at its site less than a half-mile south of The Point at Squaw Peak. Raco executives claim the North 16th Street area is emerging as another very desirable corporate office corridor, because of its proximity to the Camelback and Central Avenue corridors.

Sierra Vista will more than double in size someday if Tenneco Corporation's development plan is approved by the Cochise County Board of Supervisors. Tenneco has filed for approval to develop 4,000 acres--more than six square miles--immediately adjacent to the city. If the development plan is approved it will enable additional growth of 40,000 people living in 18,000 new units. Tenneco has already begun developing 2,000 acres in a project known as Pueblo del Sol. There are 2,500 completed houses in that development, and Tenneco has invested $25 million putting in streets and utilities. Houston's Tenneco Corporation is a major land holder throughout Arizona controlling land totaling more area than all of Santa Cruz County. Tenneco views Sierra Vista as in the same stage Tucson was in in 1952 with potential for population growth to 100,000 by the year 2000. Supporting that potential is the presence of Fort Huachuca and the area's desirability as a retirement center, Tenneco officials claim.

The third unit of the St. Johns Coronado Generating Station will be constructed during 1986. Salt River Project's Coronado plant manager, Marshall Rice told the St. Johns' Regional Chamber of Commerce on January 21 that completion of engineering and design work is expected during 1985 with construction to begin during early 1986. Employment levels would then rise over three years peaking at 800 or 900 during 1989. After reaching that peak, construction employment would be reduced as completion is approached in 1991. The new unit should be ready for commercial operation on May 1 of that year. Added operations staff of 170 will be brought on board when the plant becomes operational. SRP also anticipates beginning to soon hire apprentices for training in 1986.

Manufacturing - Tucson's Arizona Daily Star polled executives of area electronic firms to learn of their expansion plans. AiResearch Manufacturing lead the list with expectations to add 900 jobs. AiResearch, a subsidiary of the Garrett Corporation, has broken ground on the first 350,000 square feet of an eventual million-square-foot plant at 1100 North Oracle Road. This electronic component manufacturer for military aircraft will employ 1,300 when the plant opens about this time of year in 1986. By 1993 the plant will employ 4,000. The company now has 403 workers at two sites in Tucson.

Unitronics, manufacturer of circuit boards, will add about 100 in 1985 according to one company executive. It has recently tripled its plant size to 62,000 square feet and hired 262 bringing its total employment to 495.

The Arizona Daily Star listed the following companies as Southern Arizona's Electronics Top 10 employers ranked by employment:

1.	IBM	5,500
2.	Burr-Brown	1,246
3.	National Semiconductor	700
4.	TEC	625
5.	Unitronics	526
6.	Hamilton Test Systems	470
7.	AiResearch Manufacturing	400
8.	West-Corp of Arizona	300
9.	Thor Electronics	222
10.	Vaeco Instruments	200
	General Instruments	200

Tucson's Hughes Aircraft Co. began construction on a 210,000 square-foot, two story, $22.5 million structure for its missle-manufacturing facility. When construction is completed, Hughes aircraft will occupy more than 1 million square feet of buildings. The new space will house a machine shop, assembly area, laboratory and offices.

A Korean hat manufacturing firm is negotiating with the Hopi Tribal Council for a site in a Hopi industrial park near Winslow. The Young An Hat Co. would build a 115,000-square-foot building and eventually employ 400 Hopis, if the lease agreement is approved by the Hopis and the U. S. State Department. The company already has seven plants worldwide, and is building an eighth in Costa Rica.

The Navajo Tribal Council is negotiating with the Lamb Weston Co. of Portland, Oregon for a french fry plant on lands of the Navajo Agricultural Products Industries. The Portland company proposes to buy its potatoes from the tribe. Michael Allison, director of economic development for the Navajos, has some concerns about requested up-front investment costs to the tribe of at least $1 million.

Mining - Magma Copper Co. announced plans on March 8, 1985, to spend $71 million to build a new open pit copper mine and leaching plant. It would build it near its present underground mine at San Manuel. Magma expects nearly 100 workers to be employed drilling and hauling ore from the open pit by the end of 1985. Another 50 will be added when a new solvent extraction-electrowinning plant is finished in mid-1986. Magma's parent, Newmont Mining Corporation's board of directors agreed with Magma engineers that the new open pit and leaching process could produce copper profitably even at today's prices--about $.65 a pound.

Layoffs - ITT Courier Terminal Systems announced plans in February to lay off 350 Tempe workers over a three month period. The layoffs were to begin in March. "Cost containment" was cited as the reason for the cutbacks. ITT had determined it was cheaper to subcontract for component assembly in Korea and Taiwan, than to assemble them here. About 1,350 ITT Courier employees will still be employed in the Valley, and some growth is also expected. Employment expansion will come in the areas of research and development, engineering, marketing, sales administration, sales, field support and administrative functions, said Jack Milligan, ITT Courier vice president of personnel. The company did plan to make some effort to place laid-off workers in other areas of the firm. ITT plans to keep its headquarters in Tempe.

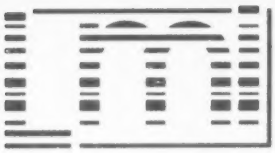
Intel Corp. announced layoffs in February for its Deer Valley plant in Phoenix as well as for other of its plants on the west coast. Intel's plant at 2402 W. Beardsley Road was to lose 75 to 100 while another 500 were to be laid off in California and Oregon. Those laid off in Phoenix included managers, engineers, software designers and assemblers. An existing Intel plant in Chandler was not expected to be affected by the layoffs, but another Chandler plant under construction "will stand empty until business improves," according to Frank Vaugn, Intel public relation manager. The layoffs marked Intel's first personnel cuts in 11 years "during a particularly sluggish period in the semi-conductor industry," in the words of Dr. Gordon C. Moore, Intel's chairman and chief executive officer.

Burr-Brown Corp. laid off 37 regular employees after announcing layoffs of 267 temporary employees in February. The regular staff layoffs represented three percent of the firm's 1,260 employees. Burr-Brown Corp. is located at the Tuscon International Airport Industrial Park on South Tucson Boulevard.

Prescott's KVSK-TV (Channel 7) laid off 12 full-time employees and several part-time staffers on March 15 in a desperate bid to ramain solvent. News staff were affected. and the announcements signaled the end of local television news coverage.

Closings - Anaconda Minerals Co. announced plans in March to close its Tucson research center. Its 80 member work force is to be laid off between April 1 and October 1. A depressed metals market and a greater-than-needed research and development capacity were cited as reasons for the closing. Anaconda hopes to sell the 140-acre property, equipment and 174,000 square feet of buildings after the October closing.

The Thomson Co. is planning to close its Eloy plant. Its workforce of 170 will be laid off gradually until the plant's contracts are completed. Its parent company, Salant Corp. filed for financial reorganization under Chapter 11 of the U. S. Bankruptcy code.



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